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CHARTER, BY-LAWS, RULES AND REGULATIONS OF THE NORTH CAROLINA LIFE ASSURANCE, ANNUITY AND TRUST COMPANY, RALEIGH, N. C., ACT OF INCORPORATION, RATIFIED AUGUST 13TH, A. D., 1868.

By

North Carolina Life Assurance, Annuity and Trust Company.

CHARTER,

BY-LAWS, RULES AND REGULATIONS

OF THE

NORTH CAROLINA

Life Assurance, Annuity and Trust Company,

RALEIGH, N. C.

Act of Incorporation, Ratified August 13th, A. D., 1868.

North Carolina State Library.

RALEIGH:
NICHOLS & GORMAN, BOOK AND JOB PRINTERS,
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North Carolina State Library
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OFFICERS.

R. W. BEST, PRESIDENT.
W. H. JONES, CASHIER.
QUENT. BUSBEE, SECRETARY.

DR. E. BURKE HAYWOOD, CONS'T'G. PHYSICIAN.
A. S. MERRIMON, ATTORNEY & COUNSELLOR.
W. R. S. BURBANK, GEN. AGENT.

EXECUTIVE COMMITTEE.

GEO. LITTLE,
WILLIE J. PALMER,
JAS. A. MOORE.

DIRECTORS.

R. W. BEST, *Ex-Secretary of State.*
WM. H. JONES, *Late Cashier Br. Bank of Cape Fear.*
JAS. A. MOORE, " *Teller* " " "
WILLIE J. PALMER, *Prin. Inst. for the Deaf and Dumb.*
GEN. WM. R. COX, *Solicitor of the Sixth District.*
GEN. MAT. W. RANSOM, *Ex-Attorney General.*
JOHN D. WHITFORD, *Ex-Pres. Atlantic & N. C. R. R.*
COL. WM. JOHNSON, *Pres. Charlotte & S. C. Railroad.*
WILLIE D. JONES, *Senator from Wake and Franklin.*
GEO. HARRIS, *Merchant, Wilmington, N. C.*
F. E. SHOBER, *Attorney at Law, Salisbury, N. C.*
COL. GEORGE LITTLE, *Raleigh, N. C.*
DR. WM. R. MILLER, " "
GEN. R. B. VANCE, *Asheville, N. C.*
QUENT. BUSBEE, *Late Secretary of Sinking Fund.*

LIFE ASSURANCE,

What is it? Its Benefits.

"LIFE ASSURANCE," says the *New York Evening Post*, "is a business with which every citizen, who has the wisdom and prudence to realize any available surplus income from his earnings or his property, ought to be fully acquainted. The scheme is intended to embrace the interests of the whole community—it is, properly considered, the great co-operative financial force of the people, associated for mutual advantage and protection; mobilizing the surplus earnings of all degeees in the true spirit of fraternity and equality; democratising the potent force of capital in the service of the highest interest of society. Very fairly may it be said, that the civilization of a people can be estimated by the relative progress of Life Assurance amongst them."

The practice is advocated on high grounds of DUTY, BENEVOLENCE and RELIGION, for the benefit of helpless infancy, disconsolate widowhood and unprotected orphanage. Its advantages, as an economical investment of inconsiderable, annual sums, in extending the affectionate care of the husband and father, beyond their own lives, to the objects of their love and affection, are too universally conceded in this day of progressive enlightment, to require either argument or illustration. "*No man with a dependent family, is free from reproach if his life is not insured,*" says a late, celebrated English Judge; and Dr. Franklin, in the infancy of the system in this country, (1769), declared that "a policy of Life Assurance is the

safest and cheapest mode of making a certain provision for one's family." "It is time," he further says: "our people understood and practiced more generally Life Assurance. Many a widow and orphan have had great reasons to be grateful that the advantage of Life Assurance was understood and embraced by the husband and father." It possesses exclusively the power of making at once, an adequate provision against the destitution of dependants, in case of death. And although its primary design, pure and simple, is to protect the widow and the orphan, still, the system has been found capable of many other beneficial applications. It secures endowments and annuities for the living; it protects creditors; it is applicable to the general purposes of raising money; of making and perfecting marriage settlements; of enabling persons with incumbrances on their property to relieve the same, by securing the payment of the debt, at the expiration of a specified time, or at the debtor's death; it engenders and fosters habits of economy and industry, and promotes benevolence generally. Any institution or association which does this, which can be applied to so many useful and benevolent objects, which encourages accumulation and saving, is a national blessing, and entitled to the fostering care and liberal sustainment of every prudent and enlightened community.

ITS EXTRAORDINARY PROGRESS.

Nothing, however, that we can collate or say, so effectually illustrates the stronghold which Life Assurance has taken in the estimation of every thoughtfully prudent American citizen, as the rapid impulse it has received, since the termination of the war. According to the report of the Insurance Commissioner, for the State of Massachusetts, (1866), the business of Life Assurance is actually more than *doubling* itself every two years; and it is estimated in the same report, that the number of persons, born and unborn, for whose support and happiness, pro-

vision is made in the policies, issued by the companies doing business in that State, then outstanding, could not be far from ONE MILLION AND A HALF. The forty-three companies, reported as engaged in Life Insurance in Massachusetts, for the year 1866, had in force 310,738 policies, promising to the insured or their surviving dependants, the magnificent sum of $871,863,925.80. Of these forty-three companies, twenty-six of them were less than ten years old, at the date of the report, and twenty-one had commenced business within the last five years. "A progress so rapid," says the Commissioner, "and represented in its results by figures of such magnitude, is wholly without a parrallel in the history of philanthropic or commercial enterprise." It must be recollected, that the above figures represent the obligations only of those companies doing business in Massachusetts.

There are many other companies in the Union, having no agencies in that State, the income and obligations of which, if not equal to the foregoing figures, still amount to surprisingly large sums; and it is predicted by the most eminent statisticians in this country, that if the system of Life Assurance receives no untoward check, the pecuniary interests involved in the soundness and stability of the companies located in the various States, will, within the lifetime of the present generation, exceed in magnitude the numerical column of the national debt.

LIFE ASSURANCE IN NORTH CAROLINA.

The interest manifested by our citizens in Life Assurance, since the surrender in 1865, and the anxiety shown to make some provision for those dependent upon them, are fully exhibited by the eager confidence with which a great many of our people, (ignorant of the first principles of the science,) accepted the specious statements contained in the circulars issued by the many companies competing for business in our midst, and blindly insured for large amounts in offices located in other States. The amount

of premiums paid in actual cash to these offices, could it have been retained at home, would have helped much to have relieved our pecuniary troubles; and distributed generally, would have rendered far less frequent, the notice of the sheriff, advertising lands to be sold for delinquent taxes. There are no data at our command, from which the exact amount of premiums paid to agents for companies out of the State can be ascertained. It has been however computed, to have amounted since 1865, to the very large sum of ONE MILLION FIVE HUNDRED THOUSAND DOLLARS; which sum would have more than paid the ordinary expenses of the State government during the time, and left a respectable balance, to be applied in paying the interest of the State debt.

OUR COMPANY—ITS ADVANTAGES.

The General Assembly, wisely appreciating the impoverishing effects of this constant drain from the money supply of the State, readily granted the NORTH CAROLINA LIFE ASSURANCE, ANNUITY AND TRUST COMPANY, a liberal charter, which, under the management of an efficient and energetic Board of Directors, and skillful and experienced officers, offers inducements to those of our people desiring to assure their lives, unequalled by any of the companies represented by their agents in the State, and peculiarly adapted to the present poverty of our people. We say peculiarly adapted to our present bankrupt condition, for several reasons, With us, MINDS and HANDS are, nine cases in ten, our people's only estate. Most of us, without any reliable income, subsist by our hard toil, ingenuity, learning or business tact. While we live, our families may possibly be provided for; with our death, *which is certain*, the income ceases. "THE BREAD OF THE FATHERLESS IS BURIED WITH THE FATHER." We are not at this time surely in such a state of financial prosperity, that it is either wise or prudent, for our

people from their scanty means, to assist in swelling the dividends and profits of companies, grown rich from excessive premiums charged, and from lapsed policies. The paid up capital of one of the companies doing the largest business in our State, is only sixty thousand, six hundred dollars ; upon which the stockholders receive annually, from fifty to seventy-five *per cent.* Our people contribute no insignificant sum in making up this princely income, paid annually to strangers, of whom they know nothing, and who never contribute one cent, or entertain a thought, promotive of our material interest and prosperity. Is this wise? Is it not, on the contrary, financially suicidal?

PLAN PROPOSED.

Fully impressed with the importance of the foregoing facts, and well aware of the nature of the many disadvantages under which our people at this time labor, the Board of Directors of the North Carolina Life Assurance, Annuity and Trust Company, have, after mature deliberation adopted a plan of Assurance, which they confidently submit, will not only fully meet the exigency of the present scarcity of money with us, but also furnish a safe and profitable investment for the sums required to be paid in. Discarding annual premiums, bonuses, premium notes, accumulated profits, and many other conditions, and unnecessary complications, which render Life Assurance, as practiced by most companies, an *occult* science except to the few initiated, this Company proposes to pay upon the death of every member belonging to it, an amount contingent upon the number of surviving members at the time of each death.

All applications for membership, are required to be accompanied by an ENTRANCE FEE, graduated according to the age of the applicant from calculations based upon the most approved Tables of Mortality. The aggregate of entrance fees, after the payment of current expenses, is

accumulated as a RESERVED FUND, which is so invested, that our own people may reap the advantage of a general circulation of the money. Upon the death of a member, his policy is paid from this Reserved Fund, which is re-imbursed by ASSESSMENTS levied upon the survivors. These assessments, fixed for the present by the Board of Directors, at two dollars and fifty cents, are payable, according to the terms of the policy, within thirty days after notice of their levy is issued by the Company; and if not paid within that time, the defaulting member forfeits all claims on, and interest in the Company, and also all payments previously made. It will be thus seen, that the only money required to be paid by applicants for membership, is the ONE ENTRANCE FEE, ranging according to the rates of the table adopted by the Board, from five dollars, for the age of ten, to fifty dollars, for applicants sixty-five years old; and the ASSESSMENT of two dollars and fifty cents, payable *only* upon the death of a member of the Company.

To illustrate by example:—Suppose there are one thousand members belonging to the Company,—and the prospect for five, or ten times that number is as encouraging as the friends of the enterprise could possibly desire. Out of that number, the Table of Mortality selected by the Board of Directors, as the basis of their calculations, gives as the average *per centage* of the deaths at, *one and one-third per cent*; so that of the one thousand members belonging to the Company, thirteen according to the Table, will probably die, making necessary an assessment upon the surviving members of thirty-two dollars and fifty cents, or two dollars and fifty cents for each death during the year. The payment of this thirty-two dollars and fifty cents, is made easy to every one, even of the most limited income, by reason of its being distributed throughout a period of twelve months. It may be here observed, that *one and one-third per cent.* as the rate of mortality is excessive, and not justified by the experience of any Life

Assurance Company, either in this country or in England. Many adopt one *per cent.* as the rate of mortality; and the experience of the Georgia Company, from April 1867, to July 1868, was less than *one-half of one per cent.* Upon the death of any one of the thousand members, his wife, children or parents, or the person for whose benefit his life was assured, (see section 3, of the Act of incorporation,) at once receive two thousand dollars, paid from the RESERVED FUND, which sum is replaced to that fund by the assessments as before explained.

North Carolina State Library.

ORIGIN OF PLAN.

This plan of Life Assurance originated, we believe, with the Masonic Fraternity in the State of Georgia, among whom, it has been in satisfactory and successful operation for a number of years. The same Fraternity with us, have a similar organization, which, properly canvassed, will no doubt equal the success of their brethren in Georgia. These associations, are purely benevolent, and the membership confined to *all* Masons in good standing.

The Board of Directors adopted this plan of Life Assurance, as the only, real mutual scheme known to the science, and one eminently suited to the present impoverished condition of our people. "It is emphatically a Mutual, Friendly Society—a combination of individuals united to help one another by the safest and best method known." Its operation is plain, simple, easily explained and understood. Its advantages over all other schemes of Life Assurance, whether Proprietary, Mutual or Mixed, may be briefly stated to be:

That policies in this Company cost the assurer less, by, from *fifty to one hundred per cent.* than in any other Company conducted upon different principles; and that the payment of assessments being called for, not at one time, but throughout a period of twelve months, is much more easily met, than if required to be paid down, or even in quarterly, or semi-annual installments.

That the business of the Company is not complicated by premium notes, surplus dividends and their application, reserved premiums, bonuses, accumulated profits, and the many other wholly unintelligible statements usually found in the reports of ordinary Companies. On the contrary, if there should be a profit made from the judicious investment of the RESERVED FUND, as there undoubtedly will be, it is equally distributed to the benefit of every policy holder, without any distinction.

That the Company pays no extravagant interest to stockholders, nor on guaranteed capital; nor are large dividends declared for the purpose of screening from public scrutiny excessive premiums charged, as is the practice of most companies declaring dividends, and for which there is not the slightest necessity.

That if the application for membership is accepted by the proper officers of the Company, and a policy issues IT IS CERTAIN TO BE PAID, unless the holder of the same has forfeited all claims on the company, by neglecting or refusing to pay any assessment which may have been levied on account of the death of a member. *with this solitary exception, the policy is strictly indisputable.*

That to obtain a policy in this Company, no such rigid medical examination is had, as is required in other companies; nor are applicants called on to give a true and exact history of themselves and their ancestors, in answer to the numberless unnecessary questions propounded to them, in the usual applications for assurance. If the officers of the Company charged with the duty, are satisfied that the applicant is in sound health, and is able, and habitually accustomed to earn a livelihood, nothing further will be required.

That there is no restriction whatever contained in the policies issued by the Company, as to travel, residence or occupation.

That the husband can assure his life for the benefit of his surviving wife, or children, or parents; so too, can

the wife assure the life of the husband, the child the life of the parent, or either of the above named parties may assure their own, or others lives, for their own benefit, or the benefit of any one named; and any other person having an interest in the life of another, present or contingent, may assure such life—the policy being paid to those whose benefit such assurance was effected, free from the claims of creditors or any one else,—(see section 3, of charter).

That each and every policy holder is directly interested in extending the business of the Company; for the reason, that each accession to the number of members enhances the value of his policy. Being thus interested, members are more apt to scrutinize closely the manner in which the affairs of the Company are conducted, and look with more watchful care to the integrity, business capacity and probity of those to whom they yearly intrust the management of its affairs.

That every CENT of money paid into the office of the Company is spent and invested at home, being thus retained for the benefit of our people. This is a consideration which should commend itself to the serious attention of every one, to whom the regeneration and prosperity of the State is a matter of any moment. This is urged from no sectional prejudice. It is the bounden duty of every man who has a dependent family, to "provide for those of his own household," lest he "denies the faith and is worse than an infidel." Equally applicable is this divine injunction, to communities forming States, as to individual families.

That the Board of Directors are resolved to conduct the affairs of the Company with that prudence and economy, which will insure its success. So that, established on a firm and sound basis, and having the confidence of our people, the NORTH CAROLINA LIFE ASSURANCE ANNUITY AND TRUST COMPANY, in after years, will prove to be truly "THE WIDOW AND ORPHAN'S FRIEND."

TABLE.

Showing the sum required as Entrance Fees, for ages between ten and sxty-five inclusive, averaged for a period of every five years:—also the average per centage of deaths, and the expectation of life, according to the combined experience of seventeen English Life Assurance Companies:—and the average annual premium charged, on a policy of one thousand dollars, for life, by the Equitable Society of New York:

Completed age, (both inclusive.)	Average per centage of Deaths.	Average expectation of Life: (years and hundredths.)	Entrance Fees.	Average annual am't to assure $1000. (Equitable Society.
10 to 14	.682	46.98	$ 5.00	$17.47
15 " 19	.706	43.57	5.25	17.87
20 " 24	.746	40.08	5.75	18.75
25 " 29	.802	36.56	6.75	21.28
30 " 34	.875	33.00	8.25	24.50
35 " 39	.970	29.43	10.50	28.63
40 " 44	1.096	25.84	13.50	34.22
45 " 49	1.359	22.27	18.00	41.72
50 " 54	1.800	18.23	27.25	51.65
55 " 59	2.482	15.60	36.50	64.97
60 " 65	3.680	12.35	50.00	85.85

EXPLANATION.

By the above table, it will be seen that the average expectation of life, for persons between forty and forty-four years of age, (both inclusive) is twenty-five and eighty-four-hundredth years; or, in other words, that according to the Tables of Mortality, persons arriving at any age from forty to forty-four, inclusive, will live twenty-five, eighty–four–hundredth years longer. It also appears that the average per centage of deaths amongst persons arriving at these ages, is one, and ninety-six thousandths.

By the Table, the Company charges an applicant who is forty years old, or forty-four years old, an ENTRANCE FEE of thirteen dollars and fifty cents. This is paid when the application for membership is filed; and the only payment required except upon the death of a member, when

each survivor is assessed two dollars and fifty cent—two dollars of which are paid to the representatives of the deceased, and fifty cents to the Company for expenses, &c. Supposing that there are five hundred members in the Company, each policy will be worth one thousand dollars, and if there are one thousand members, the policies are worth two thousand dollars and so on. By the above Table, it is calculated, that out of five hundred members, whose ages range from ten to sixty-five, *one and one-third per cent*, of them, will die during the year. According to that rate, six (and a fraction) persons of the five hundred, will die in the year, making necessary an assessment of two dollars and fifty cents each, or fourteen dollars during the twelve months. The assessments, to-wit:—fourteen dollars, added to the entrance fee of thirteen dollars and fifty cents, make the total payments for the year to be twenty-seven dollars and fifty cents. And of course, as there is no entrance to be paid the second and ensuing years, every member secures a policy, worth to his wife and children after his death, one thousand dollars, for the small annual payment of fourteen dollars. Compare this yearly payment with the premiums paid to other companies on a policy worth one thousand dollars, and it will be seen that it does not amount to half as much. In the Table, will be found the average annual premiums charged by the Equitable Society of New York, a joint stock company, and whose rates on that account, should be less than those of Mutual companies. For the ages between forty and forty-four, (both inclusive) the Equitable charges on a policy of one thousand dollars, an average yearly premium of thirty-four dollars and twenty-two cents, a sum exceeding the assessments levied by this company to secure a policy of the like amount, to-wit: fourteen dollars and the entrance fee, thirteen dollars and fifty cents, by six dollars and seventy-two cents; and for subsequent years, the premium charged by the Equitable,

on a thousand dollar policy, will exceed the assessments levied by this Company, by the sum of twenty dollars and twenty-two cents or *over one hundred per cent.*

Can the Company be safe in thus reducing the annual payment for a policy of one thousand dollars, or for any other amount in proportion? It can be done with perfect safety. The solvency and stability of other companies rest upon exactly the same foundation, as the ability of this Company to meet its losses does. The same Tables of Mortality, from which their premiums are computed, furnish the data in calculating the probable amount of assessments which will be required during the year by this Company. How is it then, that we can secure a policy in the North Carolina Assurance Company so much cheaper than he can in any other company? The following common sense considerations will easily and satisfactorily explain the reason. The companies doing business in this State, annually declare, so they advertise, dividends ranging from forty to sixty *per cent*, and payable to all policy holders, *who have paid two or three, or more premiums.* And why, a policy holder should be required to pay two or more premiums before he becomes entitled to a share in the dividends, has never yet been satisfactorily explained. Of course, every cent made on the premiums for the first two or three years goes to *somebody.* The person paying this premium does not get it, but some one else evidently does. Who is it? The same companies advertising these captivating dividends, also advertise certain large amounts of capital, some of which is paid up, and the balance guaranteed, that is, consists of the individual notes of the stockholders. This capital must receive something; and although the per centage of dividend paid on this capital is usually suppressed, or so complicated with other statements, as to be unintelligible in the reports issued by those companies, still it is estimated to be, exclusive of legal interest, from fifty to seventy-five

per cent. (See Report of the New York Insurance Commissioners, 1867, p. 20.) Capital stock, it is seen, absorbs no inconsiderable amount of premiums paid. Add to this the twenty-five *per cent.* usually paid to general agents, the salaries of officers, and the general expenses of those companies, and the accumulation of profits, which is set aside, and the sum total will tell the reason plain enough, why it is, those companies require annual premiums to be paid, of an amount *fifty* to *one hundred* per cent. more, than is legitimately required by the Tables from which they profess to base their calculations. There are other sources of profit to those companies, of which, "lapsed policies" form no inconsiderable item. These policies are suffered by the holders to fall through, because of their inability to meet the excessive annual premiums, and of course all the money that has been before paid is forfeited.

The answer to the foregoing is, that the dividends annually declared by these companies, may be used in the reduction of the premiums, and some agents are so enthusiastic in their commendation of the benefits to be derived by assuring in the companies they so *disenteresiedly* represent, that they endeavor to persuade the public, that Life Assurance is a money making business to the policy holder himself. Life Assurance, in its origin, and in its design, is purely and simply intended to provide for the widow and the orphan, the dependent and the helpless. It is true, that the policy holder may, by taking an endowment policy, derive the benefit of the same, during his life, in the event of his arriving at a certain age; and it is also true, that there is no investment which one can make of the sums paid as annual premiums, which will pay so much after his death to his family. Still, that is no reason that a person should be required to pay seventy-five or one hundred *per cent.* more for the benefit, than it is actually worth.

If their experience will justify these companies in declaring such large dividends, what is the reason that the premiums cannot be reduced by the same *per centage* and no dividends declared. This process would enable the policy holder to see at once the amount he would have to pay every year for his policy, and not have the sum contingent upon dividends to be declared, or upon profits hereafter to arise. And if the notes received by them for a part of their premiums, are to be paid off in two or three years, as is usually represented, what possible advantage to anybody is there in giving them at all.

The North Carolina Life Assurance, Annuity and Trust Company requires no notes, nor promises any dividend. Yet it is demonstrated that the sum required even the first year, for the entrance fee and the assessments, is much smaller than the annual premium charged by other companies for the same amount, and after the first year, it will be from fifty to one hundred *per cent.* cheaper. The Directors, and the Officers of the Company, consider themselves guardians for those for whose benefit the policies are taken out, and they will endeavor, by prudence and economy to execute the responsible trust reposed in them, faithfully, and to the satisfaction of every one interested.

LIFE ASSURANCE.—The importance subject of Life Assurance is gradually and deservedly gaining public attention by the force of its own merits. The time is not far distant, when the death of a man leaving his family, unprovided for by a policy of Life Assurance, will leave the stain of neglected duty upon his character. It is a duty which every man owes to his own dependents, and to the community. He who neglects it is not a good husband, father, or citizen. He has no right even to risk the chance of throwing the future support of his family, in case of his death, on the community at large, or on relatives, and friends, when it is in his power so easily, and surely to provide against such contingencies.—*N. Y. Express.*

North Carolina State Library
Raleigh

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BY-LAWS.

ARTICLE I.

ANNUAL MEETING.

SECTION 1 The ANNUAL MEETINGS of the Members of this Company, shall be held at the office of the Company, in the City of Raleigh, on the third Wednesday in July, in each and every year. Of which meeting the Secretary shall give through the public prints at least twenty days notice.

SEC. 2. The MEMBERS of the Company present, together with those represented by proxy, shall at each annual meeting, elect a Board of Directors, to serve for one year, and until their successors are appointed and installed. Said Board shall consist of Fifteen Members who shall have assured in the Company, eight of whom shall reside in the City of Raleigh, and five of whom shall at all times be a quorum. The members electing the Board of Directors, shall at the same time fix their compensation.

SEC. 3. Every MEMBER of the Company, unable to attend any meeting, may be represented by proxy, evidenced by a written or printed appointment; and in all elections, and upon the decision of all questions, each member present, and each one represented as before provided, shall be entitled to one vote.

ARTICLE II.

BOARD OF DIRECTORS.

SEC. 1. The BOARD OF DIRECTORS shall be installed immediately after their election, or as soon thereafter as a quorum can convene. They shall organize by choosing a PRESIDENT, who shall be the executive officer of the Company. At the same time, they shall elect a CASHIER, SECRETARY, an EXECUTIVE COMMITTEE, consisting of three members of their body, a GENERAL AGENT, a CONSULTING PHYSICIAN, and an ATTORNEY, all of whom shall serve for one year, and until their successors are installed.

The Board shall from time to time, fix the compensation of the officers above named, which shall be paid quarterly, and prescribe their several and respective duties. Any of said officers may be removed be the Board for sufficient cause, at any time during the year, and others appointed in their place.

SEC. 2. The BOARD OF DIRECTORS shall make all necessary By-Laws, Rules and Regulations for the government of the officers, and members of the Company; which By-Laws, Rules and Regulations shall neither be altered nor amended, unless two-thirds of the Board present, consent to and vote therefor, or unless by a majority of the members present and represented in an annual meeting.

SEC. 3. All VACANCIES in the Board of Directors, shall be filled by the remaining members thereof present, at the first meeting after such vacancy occurs.

SEC. 4. The BOARD OF DIRECTORS shall adopt such a system or plan of Life Assurance as they shall deem the most practicable, and most conducive to the interest of the members of the Company; and shall establish such rates and conditions of assurance, based upon such tables, as shall effectually give stability to, and carry out the plan adopted. The Board shall prescribe the form of all applications for assurance, and the form and conditions of all policies issued by the Company. They shall adopt an Official Seal for the Company, which shall be impressed upon all policies, and such other papers as the President shall direct.

SEC. 5. The BOARD OF DIRECTORS shall meet at the office of the Company, once in every three months, to-wit:—On the Tuesday before the third Wednesday in July, October, January and April; of which, and of all meetings, each Director shall be notified by the Secretary.

ARTICLE III.

THE PRESIDENT.

SEC. 1. The PRESIDENT of the Company shall preside at all meetings of the Board of Directors; and in his absence, a President *pro temp.* shall be selected by the Directors present. In case of an equal number of Directors voting for and against any proposition, the President shall give the casting vote. He shall call *extra*

meetings of the Board, whenever in his opinion or in the opinion of the Executive Committee, such meetings are necessary to promote the interests of the Company.

SEC. 2. The PRESIDENT shall sign all policies, and contracts and other papers, whereby the Company is bound for the payment of any money, or the performance of any duty. He shall also sign all commissions and appointments, authorizing agents or other persons to transact business for the Company; and he shall direct to what papers the Official Seal of the Company shall be affixed.

SEC. 3. The PRESIDENT, upon the recommendation of the Executive Committee, shall appoint all special, travelling and local agents, and determine and designate in what localities such agents shall canvass and reside. And upon a similar recommendation, he may revoke and vacate at any time, any appointment by him before made.

SEC. 4. The PRESIDENT shall attend any meeting of the Executive Committee, when thereunto requested by the members thereof, and whenever in his opinion, the interests of the Company require his attendance.

SEC. 5. The PRESIDENT shall have, together with the Executive Committee, a general supervision and control of the management of the affairs of the Company; and shall report to each annual meeting, a plain and full statement of the business of the Company for the preceeding twelve months, and of whatever else in his judgment, will enable the members of the Company to see at once its financial standing at the time, and its future prospects. Each Member of the Company shall be furnished with a printed copy of this report; which shall further be made public in such manner as the Executive Committee may direct.

ARTICLE IV.

THE CASHIER.

SEC. 1. The CASHIER shall receive any and all moneys and other property belonging to, or paid into the office of the Company; and shall, under the direction of the President and Executive Committe, invest the same in the name of the Company; and when so directed, he shall sell any property belonging to the Company, and collect any debts due thereto, and invest and re-invest

the proceeds, under the direction of the President and Executive Committee, as prudence and the interests of the Company dictate.

SEC. 2. The Cashier shall keep a regular system of accounts, by which shall be exhibited the receipts and expenditures of the Company properly classified; also the investments, cash on hand, and whatever else may be requisite to show the financial condition of the Company at the time. His accounts shall be quarterly balanced, and at all times open to the inspection of the Board of Directors, the President and the Executive Committee. He shall at the end of every fiscal year, submit to the President, to be by him submitted to the members at the annual meeting, a full report of the financial transactions of the Company for the previous twelve months.

SEC. 3. The CASHIER shall pay all claims justly due, and owing by the Company, such claims being first audited and approved by the Executive Committee.

SEC. 4. The CASHIER shall give a bond, secured to the satisfaction of the Executive Committee, in such sum and with such covenants and conditions, as the Committee from time to time shall prescribe.

ARTICLE V.

THE SECRETARY.

SEC. 1. The SECRETARY shall keep a perfect record of the proceedings at each annual meeting, of all the meetings of the Board of Directors and of the Executive Committee. He shall give all notices required to be given by the by-laws, by the Board, and by the Executive Committee; he shall countersign all policies and other papers, as directed by the President; have custody of, and affix the Official Seal to such papers as are required to be thus authenticated, and conduct the official correspondence of the Company.

SEC. 2. The SECRETARY shall keep a full and correct registry of every person assured in the Company, in which shall be stated every particular, necessary to a proper understanding of the liabilities of the Company on account of policies. He shall submit to the Board of Directors at each regular meeting a correct list of the persons assured, with their ages, residence, and occupations. He shall prepare, or cause to be prepared, such

tables for the use of the Company, as are directed by the President.

SEC. 3. The SECRETARY shall keep an exact account of the receipts and disbursements of the Company, classifying the same under proper titles; and shall keep a separate account with each and every agent, which shall be submitted to the Board of Directors at each regular meeting.

SEC. 4. The SECRETARY shall pay over to the Cashier, all moneys that may come into his office, as soon as the same shall be received, taking his receipt therefor, and charging him therewith. He shall provide all such books and stationary as are required by the business of the Company, prepare all necessary forms and blanks, and under the direction of the Executive Committee, issue all necessary instructions to agents. He shall, at the expiration of each financial year, submit a detailed report of the business operations of the Company for the twelve months preceding, to the President, who shall submit the same, with his own, and the Cashier's report, to the Members of the Company at each annual meeting.

SEC. 5. The Secretary shall give a Bond in such sum, and with such covenants and conditions, as the Executive Committee shall direct.

ARTICLE VI.

EXECUTIVE COMMITTEE.

SEC. 1. The EXECUTIVE COMMITTEE shall meet at the office of the Company three times in each week, upon such days, and at such time, as the Committee may appoint. If the interests of the Company require it, the Secretary shall call *extra* meetings of the Committee.

SEC. 2. The EXECUTIVE COMMITTEE shall examine and approve, or reject all applications for assurance, and shall advise with the Consulting Physician, whenever there may be doubts as to the risk submitted; The Committee shall audit all claims against the Company, noting their decisions thereon; they shall recommend the appointment of such local and travelling Agents as the interests of the Company demand, and, when in their opinion necessary, shall direct the dismissal of any agent, and the discontinuance of any agency; they shall direct

what reports and other papers shall be printed, and how the same shall be distributed; they shall adopt such forms and blanks for the use of the Company, as may be required in the transaction of its business. In conjunction with the President, the Committee shall direct the investment and re-investment of the funds of the Company; they shall inspect the books kept by the Cashier and Secretary, and report thereon to each regular meeting of the Board of Directors; and they shall pass upon, and approve, or reject all bonds required to be given to the Company.

ARTICLE VII.

AGENTS.

SEC. 1. The GENERAL AGENT of the Company, under the instructions of the President and Executive Committee, shall from time to time, thoroughly canvass the State, and if so required, the adjoining States. He shall keep the Company constantly advised of the success of his efforts, and of all other matters relating to its management and affairs; he shall recommend the appointment of local and travelling agents, whenever in his opinion the interests of the Company will be promoted thereby; and when such agents are appointed, he shall advise and instruct them in their respective duties.

SEC. 2. The GENERAL AGENT, shall receive and forward applications for assurance; deliver policies when sent to him by the Secretary; collect and forward assessments; and have, under the direction of the President and Executive Committee, a general supervision of the business of the Company outside of the City of Raleigh.

SEC. 3. The LOCAL and TRAVELLING AGENTS of the Company shall faithfully canvass their respective districts and localities, and keep the Company constantly advised of everything appertaining to its interests. They shall receive and forward applications for assurance, acquainting themselves, if possible, with the nature of each risk; shall collect assessments, and forward to the Secretary all moneys belonging to the Company, immediately upon its receipt by them. They shall keep a regular account of the business transacted, and make to the Secretary such monthly and quarterly reports, as may be required by them.

ARTICLE VIII.

CONSULTING PHYSICIAN.

SEC. 1. The CONSULTING PHYSICIAN, shall reside in the City of Raleigh, and shall attend the meetings of the Board of Directors and of the Executive Committee, whenever requested so to do. He shall advise at all times, the Board and Committee upon such matters as shall be submitted to him, and shall assist the proper officers in the construction of such tables, and preparation of such blanks as may be required in the transaction of the business of the Company.

ARTICLE IX.

APPLICATIONS AND POLICIES.

SEC. 1. All questions contained in the blank forms printed with each application for assurance, must be well and truly answered, by the persons required to answer them, without equivocation, or evasion.

SEC. 2. Applications for assurance, must in every instance be accompanied by the proper ENTRANCE FEE, or no policy shall issue, unless the Executive Committee direct otherwise.

SEC. 3. Upon the approval of any application by the Executive Committee, the Secretary shall at once issue a Policy, payable to such person, as is required therein; if the application is rejected by the Committee, the Secretary shall immediately return the entrance fee to the agent or other person forwarding the same.

SEC. 4. Upon the death of any Member of the Company, the Policy shall be paid from the Reserved Fund, within thirty days after satisfactory proof of such death, to the person or persons for whose benefit it was issued; (*See Charter, Sec.* 3.)

SEC. 5. POLICIES may be assigned, and upon the death of the assured, the same shall be paid to the assignee. In all cases of assignment, notice thereof shall be immediately given to the Secretary, who shall thereafter, issue all notices required to be given to both the assured and to the assignee.

SEC. 6. Every Member of the Company who shall fail to pay the assessment levied on account of the death of any policy holder, and every assignee of a policy who

shall in like manner fail, within thirty days after notice of the levy of such assessment has been sent from the office of Company, shall forfeit all benefit derived from such policy, and all claims on the Company and cease to be a Member thereof, unless the Executive Committee shall, upon sufficient cause shown, grant an extension of the time; the party in the meantime taking to himself all risk of death, and paying to the Company ten *per cent* on the assessment levied.

ARTICLE X.

MISCELLANEOUS.

SEC. 1. The FISCAL YEAR of the Company shall end on the 30th day of June, in each and every year; at which time all accounts of the Company shall be closed, and the necessary balances ascertained; and all annual reports required from the officers of the Company, shall be made to include the period between the 1st day of July, and the next ensuing 30th day of June in each and every year.

SEC. 2. All ENTRANCE FEES paid into the office of the Company, after deducting therefrom the necessary expenses incurred in transacting the business of the Company, shall constitute a RESERVED FUND, which shall be invested, and re-invested as hereinbefore required.

SEC. 3. All POLICIES when due, and ordered by the Executive Committee to be paid, shall be paid out of the Reserved Fund; and the amounts so paid therefrom, shall be reimbursed to said Fund, by the assessments levied, and paid into the office of the Company.

SEC. 4. The AMOUNT of the ASSESSMENT levied upon each surviving Member, upon the death of another, shall be Two Dollars and fifty cents; two dollars of which shall be paid to the representatives of the deceased, and fifty cents to the Company.

SEC. 5. The Table (on page 12) graduating Entrance Fees. is adopted by the Board of Directors, as a just and equal distribution for the different ages therein specified.

THE RELEIF from anxiety afforded by Life Assurance, very frequently contributes to prolong the life of the assured, while it materially augments the comfort, and well-being of those dependent upon him.—*McCulloch, Com. Dictionary.*

HOW TO ASSURE.

HOW TO ASSURE.

The Company through its agents, furnishes all neces sary blanks. Any party desiring to assure, will receive from the nearest agent, or from the Secretary, a blank application, wherein are proposed certain questions, to be answered and signed by the party himself, by his usual medical attendant, and by some acquaintance. These three examinations must be signed in the presence of the agent, or some other person, who will subscribe the same as witness. The application when filled up, will be forwarded by the agent, or by the party himself, together with the proper Entrance Fee, to the Secretary. If forwarded by an agent, he will give the party a receipt for the amount of the Entrance Fee, conditioned to return the same, should the application be refused at the office. If the application is approved by the Executive Committee, a policy issues, and the party becomes a member of the Company.

PROOF OF LOSS.

Upon the death of a party, the certificate of the Physician who attended him in his last illness, stating how long he was sick, of what disease, and the date of his death, will be required; also the certificate of the undertaker who assisted in the party's burial, stating that on such a day the party was buried, &c. If no Physician attended the party in his last illness, the certificate of a neighbor or acquaintance, containing the facts required, will be substituted; and if no undertaker

assisted at the burial of the party, the certificate of some person that did, will answer. These several certificates must be signed in the presence of a witness and forwarded to the Secretary of the Company. Blanks can be obtained from any agent, or from the Secretary.

SUGGESTIONS.

Parties assured, and those benefited by such assurance, if they, or either of them change their residence or postoffice, should at once notify the Secretary of such change, so that notices and other papers may be properly directed.

Parties assigning their policies for any cause whatever, should at once inform the Secretary of such assignment, and of the name, residence and postoffice of assignee. If this is not done, the rights of the asignee will not be noticed, upon the death of the assured.

If there is a local agent near any party, all moneys and communications for the Company, should be forwarded through him.

Persons assured in this Company, will not only promote materially their own interest, by endeavoring to influence others to assure their lives, but at the same time, will be performing an act of christian charity and benevolence towards the wives and families of their neighbors and friends.

It is unquestionably the duty of every man to provide, while he yet lives, for his own. We would say that it is not less his duty to provide, as far as he can, against their being left penniless in the event of his death. Indeed, between those two duties there is no general distincton; for Life Assurance makes the one as much a matter of current expenditure as the other. One part of his income can be devoted to the necessities of the present; another may be stored up, by means of Life Assurance, to provide against the future. And thus he may be said to do the *whole* of his duty, toward his family, instead of (as is generally the case), only one half of it.—*Chamber's Edinburgh Journal.*

Associations, for the assurance of lives are to be ranked among the very noblest institutions of civilized society, and their usefulness can be attested by thousands of happy, and independent families, rescued by their means from the bitterness of poverty, and the degradation of charity.—*Lord Brougham.*

CHARTER.

AN ACT TO INCORPORATE THE NORTH CAROLINA LIFE ASSURANCE, ANNUITY AND TRUST COMPANY.

The General Assembly of the State of North Carolina do enact as follows:

1. That Wm. H. Jones, Willie J. Palmer, R. W. Best, W. R. S. Burbank, Willie D. Jones, James A. Moore, Quent. Busbee, R. K. Ferrell, their associates, successors and assigns, shall be, and they are hereby constituted and declared to be a body politic and corporate, by the name and style of the "NORTH CAROLINA LIFE ASSURANCE, ANNUITY AND TRUST COMPANY," to be located in the city of Raleigh, and by that name they and their associates and successors shall and may have continual succession and a common seal, which they may alter and change at their pleasure, from time to time; and shall be capable of suing and being sued, of pleading and being impleaded, of answering and being answered unto, of defending and being defended in all and every manner of actions, suits, complaints, matters and causes whatever; and by the corporate name aforesaid, shall and may be capable of purchasing, holding and conveying any and every estate, real and personal, necessary to a safe and profitable investment of its funds and the proper transaction of its business.

2. That all and every person who shall, at any time hereafter, insure in, or with the corporation created by this Act, shall, while they continue so assured, be deemed and taken to be members of said corporation; and the

property, business and affairs of said corporation, shall be managed by a Board of Directors, and by such officers and agents as said Board may, from time to time appoint; which said Board of Directors shall consist of not less than five nor more than fifteen members, five of whom shall at any and all times be a quorum and authorized to transact the business of the corporation.

The persons incorporated by this Act, or a majority of them, shall elect the first Board of Directors, who shall continue in office for one year, and until their successors are chosen and installed. After which, said Board of Directors shall be annually elected by the members of said corporation present at such election, or a majority of them, in such manner and upon such notice as may be provided for.

The Board of Directors for the time being, shall elect one of their own number President, and in the event of the happening of any vacancy in such Board, by death, removal or otherwise, such vacancy may be filled by a quorum of the remaining Directors, or in such other manner as the By-Laws of the corporation may prescribe. Said Board of Directors shall have power to prescribe and make such By-Laws, rules and regulations for their own government, and the government of the officers, agents and servants by them appointed, as to them shall appear needful and proper for the security, investment and disposition of the funds, property, estate and effects of said corporation and for the management of all and every matter necessary to execute the powers or any of them granted in this charter and in any way appertaining to the business thereof.

Said Board of Directors shall have power to appoint all such officers and agents as they shall deem necessary to properly conduct the business and affairs of the corporation, to fix their compensation and term of service, and in their discretion to remove them; to take such bond or

bonds from any of such officers, agents and servants as they may think necessary and as said Board may, from time to time prescribe. *Provided*, That such rules, regulations and By-Laws shall not be repugnant to the Constitution and laws of the United States and of this State.

3. That the members of said corporation, in their corporate name, may assure their respective lives upon such terms and conditions, and for such amounts as may be prescribed by the Board of Directors, and may make any and all assurances appertaining to or connected with life-risks of whatsoever nature or kind, and may grant annuities and endowments. Said corporation may assure the life of any married person, for the sole and separate use and benefit of the surviving wife or husband, or for the benefit of any child or children, and may assure the life of any child or children for the use and benefit of the parents of such child or children, or either of them as the case may be. And any person whatsoever, having an interest in the life of any other person or persons, may assure the life of such person or persons under such rules, regulations and restrictions as the Board of Directors may prescribe; in all of which cases, the amounts assured shall, upon the death of the person assured, be paid to those for whose benefit such asssurance was effected or (to) their legal representatives.

4. That said corporation shall be capable, and it is hereby authorized, to receive from any and all persons and bodies corporate, any and all deposits of money, and if so requested shall issue certificates of deposit therefor, and pay interest thereon at such rate, and upon such terms and conditions, and in such manner as the Board of Directors may prescribe. And may invest the money so received and all other funds and property belonging to, or which may be in the hands of the corporation, in the stocks of the United States, or of this or any other State, or in the bonds or stocks of Municipal or other corporations, or in negotiable

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paper and other securities, or in promissory notes secured by mortgage of real or personal estate, and by individual security; or may invest sell, transfer and re-invest said funds and other property in any manner deemed most safe and beneficial by the Board. The said corporation, if the Board of Directors shall at any time deem it expedient, may deal in gold and silver coin or bullion, uncurrent money and bills of exchange, and may discount commercial or other paper, receiving thereon the interest in advance.

5. That this Act shall be in force from and after its ratification.

Ratified the 13th day of August, A. D., 1868.

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